



Report of the Budget Scrutiny Inquiry Group

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Chairman: Councillor Ralph Bagge



Contents

Slide	Section
4	Chairman's Foreword
5	Membership
6	Introduction
7 - 13	Recommendations
14 - 16	National Context
17	Local Context
18	Overall Budget
19 - 24	Leader
25 - 27	Health and Wellbeing
28 - 31	Education and Children's Services
32 – 35	Finance, Resources, Property and Assets
36 - 37	Planning and Regeneration

Contents

Slide	Section
38 - 41	Housing, Homelessness, and Regulatory Services
42 - 46	Transport
47 - 50	Climate Change and Environment
51 - 53	Communities
54 - 56	Culture and Leisure
57 - 58	Capital
59	Future Improvements

Chairman's Foreword

On behalf of the Budget Scrutiny Inquiry Group, I would like to pass on our sincere thanks and appreciation to the Cabinet Members and Officers who gave up their valuable time to talk to us and provide evidence to allow us to review the robustness of the Draft Revenue Budget and Capital Programme. I would like to extend my personal thanks to the Members of the Inquiry Group for taking the time to thoroughly explore a number of important issues.



This has been another extraordinary year which has been challenging for all of us in local Government and the Inquiry Group recognise how difficult a task it has been to put a budget together in the context of an ongoing global pandemic, including the recent Omicron variant of Covid-19. We appreciate the efforts of Cabinet and officers at a time when there are gross uncertainties around economic recovery, future Government funding, significant increases in demand and a potential change in Government focus linked to the 'levelling up' agenda. The 2022/23 financial year will be the year that we must get on with the 'new normal as business as usual'. Despite the current *work from home where possible* guidance it was very welcome to return to meeting in person, albeit socially distanced, to undertake our work this year.

Significant areas of risk do remain - Covid has already created increased demand in some areas, in addition to the impact it has had on income, commercial revenue and tax receipts, however it has also created opportunities, particularly around office space required and property rationalisation. The proposal to increase Council Tax can be disappointing for residents to read, however we acknowledge that a careful balance must be struck between ensuring the Council has the funds to deliver critical services and the potential impact on residents' individual finances.

Ralph Bagge
Chairman of the Budget Scrutiny Inquiry Group

BUCKINGHAMSHIRE COUNCIL

Membership

- Cllr Ralph Bagge – Chairman
- Cllr David Anthony
- Cllr Tim Dixon
- Cllr Trevor Egleton
- Cllr David Goss
- Cllr Graham Harris
- Cllr Iain Macpherson
- Cllr Matthew Walsh
- Cllr Stuart Wilson

Introduction

- Cabinet agreed the draft budget at its meeting on 6th January 2022.
- Budget Scrutiny meetings were held on 10th, 11th, and 13th January 2022 to scrutinise the draft budget by questioning each Cabinet Member on their budget proposals.
- The public were able to submit questions via email or social media.
- This report of the Budget Scrutiny Inquiry Group makes recommendations to Cabinet. The Cabinet will respond to these recommendations at its meeting on 15th February 2022.
- The final budget will be presented to Full Council at its meeting on 23rd February 2022.
- The Budget Scrutiny meetings were webcast and can be viewed at <https://buckinghamshire.public-i.tv/core/portal/home>

Recommendations

The Budget Scrutiny Inquiry Group made the following recommendations:

Recommendation 1

The Corporate Plan be reviewed prior to the end of the current financial year. The Corporate Plan is vital in providing the vision that drives the Council's strategies, programme, and budget.

Recommendation 2

A timetable of key strategies which are in development across the Council, with target dates for key milestones, should be shared with all Members on a quarterly basis. This would provide renewed focus on delivery of strategies and enable Members to identify opportunities for consultation or pre-decision scrutiny by the relevant select committee and local Members where appropriate.

Recommendations

Recommendation 3

Beyond the Better Buckinghamshire Programme, all services should constantly be reviewed and challenged for demonstration of best value. Members note that service areas such as Policy and Communications have had capacity to cope with exceptional demand over the past two years whereas other service areas have tended to hire interim staff to cope with times of higher demand. Members welcome an ongoing assessment of how each service is delivering value and question whether this level of budget would be necessary as the Council returns to a 'business as usual' footing. Publishing headcounts to understand staffing levels across all areas would support this assessment. A further review should be considered post-COVID to consider further reductions and potential outsourcing of non-core activities to save costs.

Recommendations

Recommendation 4

Greater visibility should be given to contingencies contained within the budget, as well as any in-year release of contingencies so that residents can see and understand how decisions are reached and the pressures on the budget. Consideration should be given to including an additional appendix in the final budget paperwork to be approved by Cabinet. Graphical representation grouping portfolio areas would also be helpful for Members and residents.

Recommendation 5

Consideration be given to running the Social Worker Academy with a smaller cohort on an ongoing basis to mitigate issues of recruitment shortages and a reliance on high cost agency staff. Metrics to measure the success of the programme should be developed and shared and Cabinet should explore whether this is a model that can be replicated in other hard to recruit areas such as planning.

Recommendations

Recommendation 6

The Council's property rationalisation strategy should have a clear vision of future ways of working and be delivered at a greater pace, with regular updates provided to Finance and Resources Select Committee. Acknowledging that an Estates Strategy is under development, the Council can shape its own future via 'Work Smart' and targeting an earlier date for downsizing the Council estate will increase efficiency savings. Should the Council return to pre-pandemic work patterns there would still be excess office space, therefore decisions to dispose or repurpose some assets should be made in the coming financial year.

Recommendation 7

Additional funding should be set aside for the development of the Local Plan as £750k p.a. over the next three years is likely to be inadequate, particularly in light of possible changes arising when the Planning White Paper is taken forward.

Recommendations

Recommendation 8

Cabinet should agree a clear strategy which includes a delivery target for affordable homes. This strategy and target number should be produced in 2022/23 and cover a greater scope for targeted housing for Key Workers, Social Rent and Supported Living and demonstrate the Council's desire to move at pace in this area. The Cabinet Members responsible for Planning, Property and Assets and Housing should work together to deliver these affordable homes in the most cost-effective way for residents (similar to last year's recommendation 12).

Recommendation 9

Cabinet should consider increasing the levels of investment for rights of way repairs to recognise the increased usage and their importance, particularly to rural and semi-rural communities.

Recommendations

Recommendation 10

That the Cabinet Member for Transport develop a strategy in 2022 for the £800k (£200k p.a.) investment into EV charging points to assess the current and future need, the number and type of charging points that could be obtained within the budget allocated, the potential income streams and to ensure there is a consistent approach to deliver these in the most cost effective way.

Recommendation 11

That the Cabinet Member for Climate Change and Environment work with officers to develop an offer to improve education for Members and residents on climate change and to provide incentives to promote individual action. Members should be involved in this piece of work, via the TECC Select Committee and/or the Member Development Working Group.

Recommendations

Recommendation 12

A review of legacy Council Special Expenses should be undertaken in the coming financial year. Whilst this might be complicated due to varying arrangements with Town and Parish Councils, and recognising one of the Special Expenses is in an unparished area, the Committee believe that the term 'Special Expenses' should only be used in the budget to denote a one-off financial commitment. This would not necessarily impact on current governance arrangements, however an assessment is required to ensure there is consistency in terms of how services are funded across the County (e.g. community centres / open spaces).

National Context

Spending Round 2022 and the Local Government Finance Settlement

- The Adult Social Care Precept will be capped at 1% for the next 3 years;
- The basic Council Tax referendum threshold to remain at 2%;
- An Adult Social Care Grant (funded from the 1.25% increase in National Insurance contribution from both employers and employees) was proposed. This is worth an additional £0.2bn in 2022/23, £1.4bn in 2023/24 and £2.0bn in 2024/25 to Local Government and is to fund the implementation of Care reforms and the move towards a fairer and more sustainable cost of care. It is assumed that this will fully cover new and additional costs;
- An additional £4.8bn over 3 years (£1.6bn p.a.) of funding will be provided to Local Authorities to cover the costs of pay, inflation, supporting families, Cyber Security and other expenditure pressures such as social care costs.

National Context

- Further clarity on the local impact of these announcements was received as part of the Provisional Local Government Finance Settlement. However, this only provided 2022/23 allocations to individual authorities.
- The proposed changes to Local Authority funding regime may significantly impact the distribution basis from 2023/24 onwards, and the ongoing impact of Care Reform is still unknown. As such, funding for 2023/24 onwards remains a high-level estimate and contains significant risk.
- On 16th December the Secretary of State published the Provisional Local Government Settlement. Key items of note from this announcement are as follows;
 - a) The settlement was for one-year only. This is due to the impending changes to the Local Government funding regime, which are expected to be implemented in 2023/24.
 - b) The referendum threshold for basic Council Tax (excluding ASC Precept) was confirmed at 2%

National Context

- c) The ASC Precept was confirmed at a maximum of 1%, and the applicability of the additional 1% carried forward from 2021/22 was also confirmed.
- d) Nationally more than £1bn extra funding for Social Care was announced. This included confirmation that 2021/22 Social Care grants continued and funding to prepare for the implementation of Social Care reforms.
- e) A new 'Services Grant', which included compensation for the additional costs incurred as a result of the additional 1.25% levy on employers National Insurance costs.
- f) The Lower Tier Services grant was continued for another year.
- Overall, the Council's allocations resulted in a reduction of £1.01m in ongoing grant funding compared to planning assumptions, which was partly offset by a one-off gain of £993k on New Homes Bonus in 2022/23 only. The current New Homes Bonus scheme is due to end in 2023/24. It is the Council's practice to only use one-off funding sources for one-off expenditure items, such as capital projects and revenue investments, as they are not a sustainable funding stream, and do not support financial sustainability.

Local Context

- The global pandemic has significantly impacted on the operations of the Council since its creation in April 2020 both operationally and on base budget assumptions for service demand, contract costs and all sources of income.
- At the end of Q1 of 2021/22 most direct Government Grant support to the Council for the ongoing impacts of the pandemic had ceased.
- Income from discretionary and statutory services remains suppressed as a result of working from home, resident confidence, and the general impacts of the economic downturn; rental income from property assets is reduced as economic uncertainty continues; demand and costs of supporting the vulnerable have increased and there is a need to support the local economy to support jobs and growth.
- The Better Buckinghamshire Programme is well underway and aims to fully integrate teams and systems to deliver better outcomes for residents and businesses in the most cost-effective way.

Overall Budget

- The Budget Scrutiny Inquiry Group spent an intense three days scrutinising the Draft Budget for 2022/23 – 2024/25 and Capital Programme 2022/23 – 2025/26 All Cabinet Members were questioned in turn and the Budget Group's observations and recommendations are set out in this report.
- Some are specific to individual portfolio areas, but we begin with a number of cross-cutting or corporate recommendations relating to the overall budget and the Leader's portfolio which is responsible for, amongst other areas the overall financial strategy and Corporate Plan.
- Members acknowledge the difficulty of putting together a budget in the context of the ongoing Covid-19 pandemic. This continues to be an unprecedented time with many uncertainties remaining around economic recovery.
- Members are aware that the final budget must ensure that the Council remains financially viable, yet also allow the Council to be ambitious in its approach to economic recovery, achieving savings targets and improving Council services.
- The Budget Scrutiny Inquiry Group welcome the significant work that has gone in to producing a balanced draft Medium Term Financial Plan.

Leader

- The Leader's portfolio has a total spend of £8.6m, offset by income of £0.8m.
- Risks and opportunities include working toward a successful County Deal which would result in significant changes across many service areas; a lean structure to the economic development team which will potentially limit ability to respond quickly to future bidding opportunities; and reducing the pre-pipeline funding from £1.2m to £1m which will have a deferred impact in coming years diminishing capacity funding by £1m over the next 5 years.

Corporate Plan

- Members heard from the Leader that there is work ongoing to refresh the Corporate Plan. The Corporate Plan is vital in setting the Council's priorities and strategies and Members welcome the refresh as we enter the third year of the Council's existence. The Corporate Plan directs how the budget should be spent so Members would like to see a revised Corporate Plan at the earliest opportunity, acknowledging that there are constitutional processes for its formal sign off.

Recommendation 1

The Corporate Plan be reviewed prior to the end of the current financial year. The Corporate Plan is vital in providing the vision that drives the Council's strategies, programme, and budget.

Leader

Key Council Strategies

- Across the 3 days, the Inquiry Group heard of developing strategies across each of the portfolios, however not all of these had clear timetables of when they would be forthcoming. These strategies are all of high importance to the Council and its residents and include, but are not limited to strategies for each of the following: Estates, SEND, Affordable Housing, Homelessness, Leisure, Parking and Waste Services. Many of these strategies feed in to the developing Local Plan which is so important to the future of Buckinghamshire.
- The development of these strategies should involve cross-portfolio working. For example, in developing the Parking Strategy, the Cabinet Member must take in to account changes within the Council's office estate in order to ensure maximum utilisation. In addition, a parking strategy could be used as a driver for economic regeneration in certain areas. Should strategies be planned in isolation there is a risk that benefits will be missed.

Recommendation 2

A timetable of key strategies which are in development across the Council, with target dates for key milestones, should be shared with all Members on a quarterly basis. This would provide renewed focus on delivery of strategies and enable Members to identify opportunities for consultation or pre-decision scrutiny by the relevant select committee and local Members where appropriate.

Leader

Council Tax

- The Budget Scrutiny Inquiry Group questioned the Leader about the proposed increase to Council Tax (1.99% basic Council Tax and 2% Adult Social Care Precept). Members heard that this had been a particularly difficult decision. On balance, the Inquiry Group understands the proposal to ensure critical services not only continue to be delivered, but are delivered well and to a level residents expect and to ensure Buckinghamshire grows as an attractive area for residents and businesses.

Inflation

- The impact of inflation on residents and businesses is something the Council are very aware of, and the Inquiry Group highlighted this, alongside the Council Tax proposed increase, energy price pressures, and rises in National Insurance contributions. Inflation not only impacts on our residents and businesses but will also affect Council contracts and service providers. Members recognised this as a risk, particularly if inflation moves above 5% which is a real possibility.

Whilst Members welcome the contingency budget of £2.95m for Inflationary pressures in 22/23, this is seen as a real risk to the budget with inflation already at 5% with the possibility to increase further.

Leader

Unitary Savings and Beyond

- Members heard about progress made on the Better Buckinghamshire Programme and welcome the savings already made and those included in this MTFP. However, the Inquiry Group would like Cabinet to ensure that once service reviews have been undertaken, service areas are constantly challenged to ensure best value and deliver further savings, beyond the respective service reviews. This goes across all service areas, although we have used the Policy and Communications area as an example due to a high proportion of that budget being allocated to staffing costs. Within this example there are questions Members would like asked such as: 'Are press releases being produced too often and how is their impact measured?; Are there communications costs in other portfolio areas?; What service could be delivered on a smaller budget? 'How is staffing output measured?' and these sorts of questions can be expanded to other areas.

Recommendation 3

Beyond the Better Buckinghamshire Programme, all services should constantly be reviewed and challenged for demonstration of best value. Members note that service areas such as Policy and Communications have had capacity to cope with exceptional demand over the past two years whereas other service areas have tended to hire interim staff to cope with times of higher demand. Members welcome an ongoing assessment of how each service is delivering value and question whether this level of budget would be necessary as the Council returns to a 'business as usual' footing. Publishing headcounts to understand staffing levels across all areas would support this assessment. A further review should be considered post-COVID to consider further reductions and potential outsourcing of non-core activities to save costs.

Leader

Contingencies and use of reserves

- The Inquiry Group has had sight of contingency budgets included to manage and mitigate significant budget risks (including service demand, market sustainability and inflationary pressures) and understand rationale for including these levels of contingencies. Members heard from the Leader that there is a stringent process in place for the release of any contingencies, however, at present it is an area that is not visible to all Members and residents.

Recommendation 4

Greater visibility should be given to contingencies contained within the budget, as well as any in-year release of contingencies so that residents can see and understand how decisions are reached and the pressures on the budget. Consideration should be given to including an additional appendix in the final budget paperwork to be approved by Cabinet. Graphical representation grouping portfolio areas would also be helpful for Members and residents.

Members understand the use of reserves in Year 2 of the MTFP to balance the budget rather than cutting key services but would be concerned if this becomes a regular occurrence.

Leader

Strategic Infrastructure and Capital

- Members heard that the strategic infrastructure team is regularly involved in lobbying central Government for funding and is responsible for leading on key housing infrastructure fund projects included within the Capital Programme. There is over £58m committed in 2022/23 to deliver key projects including important road projects around Aylesbury, Princes Risborough and Abbey Barn.

Broadband

- Members questioned the Leader around broadband and heard that around 96% of premises in Bucks have 'superfast' coverage, although the superfast description covers a speed of just 20MB. Difficulties in reaching the remaining 4% of premises were acknowledged, with Members noting that providers would not consider services to these premises to be commercially viable.
- £600k included in the Capital Programme, which was a clawback from the Connected Counties scheme, will be spent on improving broadband for rural residents which the Inquiry Group welcome. We heard that discussions are ongoing around the best use of these funds and Members look forward to hearing from the Leader on the next steps, as particularly with the move to home working, residents will see 'superfast' as a basic minimum requirement.

Health and Wellbeing

- This portfolio has a total spend of £238.2m, offset by an income of £74m. It was recognised that relatively small percentage overspends would mean budget pressure in the millions, not thousands. There will be implications for this portfolio from the Social Care reforms, with Buckinghamshire having a high level of self-funders.
- The majority of spend is on client packages of care with Providers or paid directly to clients through a Direct Payment. Members recognise the significant cost differences in domiciliary care and residential care and were encouraged to hear of the advances in technology supporting residents to stay at home longer.
- There are a number of significant risks that could impact on the 2022/23 position including provider failure and cost pressures from additional clients through the D2A (Discharge to Access) process.

Care Market

- Members are pleased to note that there is a £1.7m contingency proposed in 2022/23 in case of provider failure that increases to £3m by 2024/25.
- The care market is fragile, both in Buckinghamshire and nationally and the Inquiry Group were reassured to hear from the Cabinet Member how closely the service are working with providers.

Health and Wellbeing

Staff Recruitment & Retention

- Members recognise that there is a national shortage of qualified social workers which leads to competition for staff and heard from the Cabinet Member that the directorate has a workforce strategy and quality assurance framework and there is a focus to reduce the number of agency social workers (circa 100 at present).

Better Lives Strategy

- The Inquiry Group heard that a further £6.9m of savings were factored in to the MTFP and whilst recognising that this will be a difficult achievement in the current market, Members recognise that £10m of savings have already been delivered through this strategy, and that over the past three years savings targets have been met or exceeded.

Health and Wellbeing

Public Health

- Public Health is entirely funded by a ring fenced grant. At the time of meeting the size of the public health grant for 2022 was still to be confirmed, budget assumptions are for it to remain at current levels, although the spending review indicated that it may rise with inflation. The Public Health Team is relatively small and services delivered are statutory so the Inquiry Group recognise savings opportunities are difficult to come by.
- The top 6 contracts are due for renewal in the next 2-3 years, the existing contracts operate on fixed prices, so an inflationary uplift is expected. Members identified this to be a risk, noting that increases may be significant and impact heavily on budget assumptions for the service area. Assurance was given that the procurement process would be vigorous and thorough.

Members highlighted the importance of Public Health and how different portfolios can contribute to health improvements, e.g Housing, Transport and Planning in incorporating green space, cycleways and footpaths in the new Local Plan.

Community Boards could also contribute through tackling social isolation. Public Health should be a thread running through all Council strategies. As the Council must operate to a ring-fenced grant it is critical to stretch the funds further through smart cross portfolio working.

Education & Children's Services

Children's Social Care

- Children's Social Care has a total spend of £78m. Covid-19 has had a dramatic effect on some children, young people and their families and as a result there have been unprecedented changes in demand and complexity of casework with indicators suggesting that this demand will not reduce for the foreseeable future.
- Significant financial risk areas highlighted include challenge in recruiting high quality, experienced social workers and managers reducing reliance on agency staff; increased case load complexity and demand; higher number of children in care resulting in high cost external placements; and significant costs of accommodation for children leaving care.
- Members welcome the joint work with Housing Services to improve access for care leavers to their own tenancies and encourage the Cabinet Member to continue to progress this at pace to avoid high cost placements.

Contingencies

- Members note the corporate contingency for demand across the service of around £1.4m this year, increasing in subsequent years, however highlight the forecast overspend for 21/22 is £2.2m for this portfolio. The contingency of £0.5m p.a. for high cost placements was also noted. Members heard from the Cabinet Member that she was relatively confident in these contingency amounts, particularly when taking into account the actions being taken within the service to address demand and high cost external placements.

Education & Children's Services

Staff Recruitment and Retention

- Children's Services has been reliant on the use of agency Social Workers, due to a shortage of skilled staff nationally. Members heard that the service wanted to reduce the current levels of 29-33% agency staff and had been successful in converting some temporary staff to permanent, but there would always be a requirement for some agency workers.
- The Council has a statutory duty to ensure the service always has the adequate number of qualified social workers which has meant that agency staffing costs have been unavoidable.
- Members were pleased to hear about the recruitment of 21 social workers from abroad, and heard how this new cohort of staff had been welcomed and were very motivated.
- The Social Worker Academy, whilst impacted by Covid, was now operating well as an effective throughput of staff and Members noted that the retention rate was high (90%) for staff coming through the Academy. The near £3m included within the MTFP for the expansion of the Social Work Academy to support recruitment and retention of permanent staff was viewed positively by the Inquiry Group.

Education & Children's Services

Staff Recruitment and Retention *(continued)*

Recommendation 5

Consideration be given to running the Social Worker Academy with a smaller cohort on an ongoing basis to mitigate issues of recruitment shortages and a reliance on high cost agency staff. Metrics to measure the success of the programme should be developed and shared and Cabinet should explore whether this is a model that can be replicated in other hard to recruit areas such as planning.

The Inquiry Group acknowledge the positive outcomes of the Social Worker Academy and understands the rationale behind the additional investment to stabilise the Council's own workforce levels. As the Academy progresses, the Cabinet Member should explore possible income generation opportunities of retaining the infrastructure to train social workers for other local authorities for a fee.

Foster Care

- Members note the significant differential in cost of providing in house and external placements foster care and acknowledge that over a two year period the number of internal placements had increased which is positive. Members welcome the priority to recruit foster carers in house and pass congratulations on to the service for this being the first time that the placement budget had come in on budget.

Education & Children's Services

Education

- Education has a total spend of around £565m, of which £546 is the Dedicated Schools Grant from the Department of Education, the majority of which is passed to schools.
- The costs of supporting pupils with SEND in schools and specialist provision is increasing. Demand for Education Health and Care Plans (EHCPs) has increased the pressure on the high needs budget within the Dedicated Schools Grant (DSG). The Council's DSG is currently in deficit and a management plan must be agreed with the Department for Education (DfE). Members look forward to seeing the SEND Strategy which is being developed.
- Reduction in DSG funding for central services is recognised as a further risk. The DfE has confirmed the intention to reduce funding for specific elements of Central DSG by 20% per annum over the next 4 years.
- Members are encouraged to hear of the closer relationships developed with schools which has been a positive side effect of the Covid pandemic. Members understand the desire to keep children with additional needs in mainstream education locally although highlight that additional support should be in place to avoid significant in class disruption.

Finance, Resources, Property & Assets

- This portfolio has a spend of £163.5m offset by an income of £112.1m, the majority of which is Government grants 'passported' through the Revenue and Benefits service.
- Key risks identified include cyber security; property savings and income; payment of Covid related grants and wider uncertainty around long term economic impacts; and rationalising the approach to reactive and planned property maintenance.

Better Buckinghamshire Programme

- Members heard that the programme was progressing as planned and were advised that there was limited opportunity to accelerate the service reviews, as staff had to be consulted and each review needed to be have adequate support resources. There were eighteen service reviews remaining, Members were pleased to note that the programme was running to schedule and achieving target savings, however would like the Cabinet Member to review opportunities to accelerate reviews.

Staffing

- Members note that staff have been transferring to harmonised Buckinghamshire Council terms and conditions as they went through service reviews and their job role substantially changed, as TUPE rules prevented automatic changes. From vesting day all new staff were employed on the new Buckinghamshire Council terms and conditions.

Finance, Resources, Property & Assets

Customer Service Centre

- Members discussed the performance of the Customer Service Centre which had missed KPI targets over a prolonged period in 21/22. The Inquiry Group heard that performance had since significantly improved, 96% of telephone calls in December had been answered, and improvements included further rollout of webchat, website improvements to make information easier to locate, a callback facility, increasingly flexible workforce, easier system for transfer of calls and progression towards single software systems across service areas.

Cyber Security

- Members received assurances that Cyber security prevention measures were able to be delivered within budget assumptions. There was no dependence on a single suite of software, 24/7 monitoring takes place, a high level dashboard monitors incidents, an in house cyber security manager has been appointed, there is mandatory staff training and the local resilience forum reviewed risks.

Finance, Resources, Property & Assets

Property and Assets

- Members welcome the development of an Estates Strategy and the Property Rationalisation target included within the MTFP, however following detailed discussion, the Inquiry Group believes that there should be an increased urgency to review office space and want to see a clear strategy.
- There is suggestion that future operations could be delivered within 100k sq. foot of office space, and Members heard that data had to be analysed to assess longer term need. This data collection had been difficult due to changing working from home guidance from central Government and no firm overview of return to office working patterns over the longer term.
- Members acknowledge that a range of office space is included the portfolio, including both freehold and leasehold properties. It is noted that some of the vacant office space has been successfully let out, however it is not entirely clear as to how much of the approx. 120k sq. foot of vacant space had been let or was being used to generate income. The Inquiry Group would welcome more data on this.

Finance, Resources, Property & Assets

Property and Assets (*continued*)

Recommendation 6

The Council's property rationalisation strategy should have a clear vision of future ways of working and be delivered at a greater pace, with regular updates provided to Finance and Resources Select Committee. Acknowledging that an Estates Strategy is under development, the Council can shape its own future via 'Work Smart' and targeting an earlier date for downsizing the Council estate will increase efficiency savings. Should the Council return to pre-pandemic work patterns there would still be excess office space, therefore decisions to dispose or repurpose some assets should be made in the coming financial year.

Website improvements

- The website improvement project is underway with areas of biggest customer traffic being prioritised. Members heard that this project was due to be completed in March 2023 and Members were welcome to engage with the process.

Planning and Regeneration

- The Planning and Regeneration portfolio has a total spend of £14.76m, the majority of which accounts for staff costs. However this is offset by income of £8.8m generated through fees and charges.
- Members heard of the significant work that had gone in to bringing five legacy planning teams together during a period which has seen a significant increase in planning applications locally and nationally. The Council is now the second largest planning authority in the country.

Local Plan

- The Cabinet Member is confident that the budget of £750k p.a. for delivering the Local Plan is sufficient, noting that it requires expertise and considerable consultant involvement at various stages. Members, however have concerns that with the significant work involved to produce a sound Local Plan this appeared an optimistic sum, particularly when taking into account potential changes arising from the Government White Paper which may result in significant process changes and/or a reduced timeline for delivery.
- Members highlighted the importance of embedding environmental standards within the Local Plan and heard that a policy framework was being produced to ensure new homes were built to high standards. A Member Working Party would be reviewing the various policies of the Local Plan as they develop.

Recommendation 7

Additional funding should be set aside for the development of the Local Plan as £750k p.a. over the next three years is likely to be inadequate, particularly in light of possible changes arising when the Planning White Paper is taken forward.

Planning & Regeneration

Enforcement

- The Inquiry Group heard that the MTFP included additional funding for five additional Planning Enforcement Officers to assist in working through a significant backlog of case and meeting growing demand in a proactive way. It was noted that further efficiencies should also be achievable when one consistent back office software system can be implemented and used across the county.

Regeneration

- Members noted that there was £5.8m of slippage within the Capital Programme and understand that delays had been caused through various reasons, many out of the Council's control. Members wished to see a renewed focus on progressing regeneration projects to completion as these projects have the potential to really improve the lives of residents.
- Members heard that the team were constantly seeking opportunities to submit bids for grants or forge private sector partnerships to improve town centres and large villages.

Members have concerns around capital slippage on the delivery of regeneration projects and would welcome increased urgency in delivering these projects. Members encourage the Cabinet Member to proactively monitor progress to keep slippage to a minimum.

Housing, Homelessness & Regulatory Services

- This portfolio area has a total spend of £15.8m, offset by income of £9.2m.
- Key risks to the budget include temporary accommodation costs; efficiency savings challenges; double running costs for temporary accommodation sites at Saunderton Lodge and Desborough Road; and Licensing income shortfall due to Covid.

Capital

- Members welcome the £2.8m commitment to provide a further temporary accommodation solution at Desborough Road. It is recognised that in the long term these schemes will deliver substantial savings on temporary accommodation and B & B costs.

Registrars

- Members were pleased to hear that the Registrar service was forecast to recover from Covid and become self sufficient in terms of funding from 24/25.

Coroners

- It was noted that a new Coroners contract had been entered in to. This contract had increased significantly over the previous one, however this was said to be a robust contract reflecting the increased number of inquests and higher costs involved in post mortems.

Housing, Homelessness & Regulatory Services

Housing

- An overarching Housing Strategy is being produced and Members heard that this would be published no later than mid-2022. Members received assurance that there were adequate resources to produce the strategy and other relevant portfolios were being consulted.
- Members recognise that 'affordable' housing in Buckinghamshire remains unaffordable for a wide range of residents, including key workers and that provisions around how affordable housing will be secured and how the Council can best support this would be included in the Housing Strategy. Members want to support the recruitment and retention of key workers and by setting a specific target for affordable housing the Council can evidence its ambition. Any affordable housing action plan must link in with the Local Plan and agreed targets should be evidenced through data on demand. Acknowledging that there is a shortage of land and land in Buckinghamshire is particularly expensive, there is an opportunity as a Unitary Council to work across portfolios to identify opportunities to deliver homes, including assessing the Council's own estate as to whether there are opportunities to convert properties to residential use.
- Members heard that the service area was working closely with Children's Services on care leavers accessing social housing by encouraging bidding on properties and training Children's Services staff to progress these.

Housing, Homelessness & Regulatory Services

Housing (continued)

Recommendation 8

Cabinet should agree a clear strategy which includes a delivery target for affordable homes. This strategy and target number should be produced in 2022/23 and cover a greater scope for targeted housing for Key Workers, Social Rent and Supported Living and demonstrate the Council's desire to move at pace in this area. The Cabinet Members responsible for Planning, Property and Assets and Housing should work together to deliver these affordable homes in the most cost-effective way for residents (similar to last year's recommendation 12).

Homelessness

- Members noted that a new Homelessness Strategy for Buckinghamshire is in development, in close liaison with Public Health colleagues. The Council has a statutory duty to produce this, with legacy strategies still in place at the current time. Members heard that there is a need to harmonise the approach and methodology for homelessness costs, which will require rebasing the homelessness budget, as the current budgets are still set as per legacy authority. There is particular risk around Aylesbury which did not have a base budget for homelessness costs and would instead rely on grant funding to fund the shortfall between temporary accommodation and housing benefit income.

Housing, Homelessness & Regulatory Services

Temporary Accommodation

- Temporary accommodation is a risk for many authorities at the moment, and could be an increased budget risk next year due to uncertainty as to whether homelessness may increase as the rise in the cost of living impacts residents. The Covid evictions moratorium has also recently been lifted. Whilst some additional grant has been received from Government, this will help with rent arrears for this year only and there is uncertainty on the level of grant available next year.
- The Council currently uses the Homelessness Prevention Grant to subsidise TA expenditure but cannot necessarily rely on this going forward and the move to universal credit system further impacts how costs are covered.
- The Inquiry Group understands that there is a shortage of larger homes, making it difficult to move larger families on from temporary accommodation and heard of a high number on the waiting list. Members would like to see the Housing Strategy address this, including exploration of the Council building its own housing stock.

Transport

- The portfolio has a total spend of 71.6m, offset by income of 16m, made up mainly from customer and client receipts.
- Key risks include the potential for Home to School Transport overspend which could be higher than MTFP growth projections dependant on demand and complexity; parking income assumptions post-Covid; increased network usage on rights of ways; impact of HS2 and EWR on Buckinghamshire; staffing capacity and ongoing affordability of highway infrastructure projects.

Gullies

- Members received assurance that last year's priority for all gullies to be cleared continued at pace and the aim remained to complete this work by the target date of the end of May.

Rights of Way

- Members note that there is capital spend to invest in the active travel network and cycleways, however given the increased use of rights of way seen throughout the pandemic believe there is a pressing need to budget appropriately for maintenance and repairs.

Recommendation 9

Cabinet should consider increasing the levels of investment for rights of way repairs to recognise the increased usage and their importance, particularly to rural and semi-rural communities.

Transport

Electric Vehicle Charging Infrastructure

- Members welcome the Cabinet Member priority to develop an EV Charging Strategy for adoption, and the £800k (£200k p.a.) commitment in the Capital Programme. Members heard that the Council can bid for OZEV funding of up to £13k per charging station, and the Capital funding will support installing infrastructure that is above this cost level.
- A procurement exercise is underway to enter into a commercial partnership with a requirement for profit sharing.
- Members highlighted that the need across the county would require detailed assessment to ensure both a wide spread, and also to ensure £800k over 4 years is a sufficient amount.

Recommendation 10

That the Cabinet Member for Transport develop a strategy in 2022 for the £800k (£200k p.a.) investment into EV charging points to assess the current and future need, the number and type of charging points that could be obtained within the budget allocated, the potential income streams and to ensure there is a consistent approach to deliver these in the most cost effective way.

Transport

Highways Contract

Members noted that the highways contract procurement was underway and that a slightly different model with a larger in-house client team was being proposed. This change was welcomed as it should provide the Council with greater control.

Parking

- Members heard that over the MTFP period, on street parking is forecast to return to pre-Covid levels, however off street parking was not. Inquiry Group Members would encourage the Cabinet Member for Transport to work with the Cabinet Member for Finance, Resources, Property and Assets to make best use of the parking assets that the Council owns.
- The service has gone through a transition period with legacy parking teams coming together, and work is ongoing for enforcement officers to be brought in house from the NSL contract, subject to discussions. The Cabinet Member reported that the service continues to target inconsiderate parking and advised that a recent FOI request had identified Bucks as the second highest enforcing Council in the country.

Transport

Tree Maintenance

- Recognising the ambition of the Council to plant over 500,000 trees, Members highlighted the need to look after existing trees and heard that there are schemes underway to continue to preserve trees within the budget.

HS2 and East West Rail

- Members acknowledge that these large infrastructure projects create a great deal of traffic movements and cause damage to highways. Members heard that the Council has a process for seeking financial recompense for damage caused, although it is administratively burdensome.
- The investment in officers to actively monitor HS2 issues, including highways issues such as mud on the road was welcomed by the Inquiry Group.
- Members understand that associated office costs of dealing with highways applications had a retrospective payment system with HS2, however Members recognise it as a risk as this is very much dependant on accurate plans being shared in good time by HS2 in order for the Council to assess staff capacity.

Transport

Home to School Transport and SEND Transport

- Home to School Transport is forecast to be overspent for 21/22. The overspend is linked to the retendering of all school transport contracts and the updated contract price information available after the completion of the retendering exercise and contract awards were made. Members heard that the increase in demand and complexity of need from the new annual intake for statutory transport provision led to higher demand and costs forecast.
- Because of the overspend, Members view the amounts included in the revenue budget as necessary and note that there is a contingency of £3m (£1m p.a.). Despite the contingency, Members highlight that there is a significant risk because of the continued complexity of need and the statutory duty to provide transport. Members welcome the ongoing modelling work but urge the Cabinet Member to constantly review this area of spend with officers.
- Members also heard about the plans around personal transport budgets which are a more cost effective for the Council. These were being taken up in larger numbers and had received positive feedback from parents and carers. Members welcome the TECC Select Committee reviewing this in year.

Climate Change & Environment

- This portfolio has a total spend of £38.6m, offset by income of £9.9m, the majority of which is attributed to customer and client receipts.
- Key risks identified include potential changes in government policy on climate change; staffing capacity within the flooding team; continued impact of covid on income and service delivery; volatility in market pricing for waste materials and supply chain issues.

Climate Change

- Members wish to place on record their recognition of the progress made in this portfolio over the past twelve months. The Climate Change Strategy has been produced and decision making across the Council now takes in to account green credentials and climate change mitigation measures.
- Whilst this portfolio takes a lead on climate change, Members identified that all portfolios must work with one another, taking a holistic view of carbon reduction and liaise on the production of any major pieces of work. It was pleasing to note that green credentials now form a part of the Council's procurement process for new contracts.
- Members note that education of residents and Members on everyday issues such as recycling, use of single use plastics, and transport decisions amongst others was key.

Climate Change & Environment

Climate Change (continued)

Recommendation 11

That the Cabinet Member for Climate Change and Environment work with officers to develop an offer to improve education for Members and residents on climate change and to provide incentives to promote individual action. Members should be involved in this piece of work, this could be the TECC Select Committee and/or the Member Development Working Group.

Waste collection

- Members heard that the Council was committed to its waste collection contracts in the south of the county and note that the in-house service in the North of the county continues to perform well. Costs do vary and cost efficiencies would likely be made when the time comes at the end of this MTFP period to decide on a harmonised future collection service.

Climate Change & Environment

Fly tipping

- Members welcome the zero tolerance approach on fly tipping, and heard that significant numbers of perpetrators continue to be prosecuted.

Wycombe Garden Waste

- Members recognise that a garden waste charge for the legacy Wycombe area was an assumption within the revenue budget and was forecast to be taken up by 35% of households by the end of the MTFP. Members heard that this was based on take up in other areas of the county, where residents already pay for the service.

Members note that a decision is yet to be taken on the introduction of charges to the Wycombe garden waste collection service, however it is important to highlight that it is a risk that income will not reach the levels assumed within the budget.

Climate Change & Environment

Household Recycling Centre

- Members note provision in the MTFP for an improved HRC provision within the Princes Risborough area linked to housing growth and demand. It is understood that a decision is yet to be taken, and whilst the former Bledlow site had its limitations it was well used and would be investigated for possible re-opening in the future. Members heard that the previous decision to close the site was taken, in part, due to the former County Council having to pass revenue from green waste on to the District Council which is no longer a factor as a unitary authority.

Street Cleansing

- Street cleansing was highlighted as a Member priority and the additional £600k within the MTFP for 22/23 was noted.

Flooding

- Members note the risk on needing additional dedicated technical skills and capacity within the flooding team and welcome this being factored in to the budget.

Communities

- This directorate has a total spend of £9.3m offset by an income of £0.8m.
- Key financial risks highlighted include lack of clarity on future Government grants as well as potential changes to funding from external bodies.

Special Expenses and Devolution

- Members recognise that the Special Expenses contained within the revenue budget are dealt with by Town and Parish Councils through their respective precepts elsewhere in the county. These were legacy arrangements which would benefit from a review.
- Devolution of assets such as community centres is underway and the Cabinet Member reported that this was not a quick process with thorough checks and balances needed along with a viable business case.

Recommendation 12

A review of legacy Council Special Expenses should be undertaken in the coming financial year. Whilst this might be complicated due to varying arrangements with Town and Parish Councils, and recognising one of the Special Expenses is in an unparished area, the Committee believe that the term ‘Special Expenses’ should only be used in the budget to denote a one-off financial commitment. This would not necessarily impact on current governance arrangements, however an assessment is required to ensure there is consistency in terms of how services are funded across the County (e.g. community centres / open spaces).

Communities

Community Boards

- Members discussed Community Boards and the budget proposal to reduce funding by £1.9m at length. Whilst concerns were raised that a reduction may appear to residents that the Council is devaluing its localism agenda, most Members of the Inquiry Group understand the rationale for the reduction and highlight that the purpose of the boards is not purely to be a funding vehicle. There was concern from one member regarding the reduction of £1.9m in terms of rationale and quantum.
- Members heard that the Community Board Co-ordinator role is a full time position and that the number of Community Boards would be reviewed pending the outcome of the Boundary Commissions Boundary review.
- The Cabinet Member explained that in addition to the £2m budgeted, projects over £1,000 would require contributory funding which could significantly increase the total investment and Members noted that boards would also be limited to allocating a maximum of £15k per project.
- Members also heard that there would be a detailed method for allocating funds to each board which would involve liaison with local Members, looking at population and deprivation levels.

Communities

Community Boards (*continued*)

Community Boards are crucial to the Council in delivering its localism agenda and ensuring that residents feel connected to the Council. Community Boards also play an important role around climate change and public health initiatives. Members noted that there is a service review underway and hoped that the current model for community board support would be considered carefully. On the whole, the Committee understands the rationale for reducing the Community Board total budget and they hope that Community Boards will work creatively and proactively with partners to continue to deliver valuable projects that will improve outcomes for residents at a very local level.

Counter Terrorism

- Members recognise the priority to work with the Police & Crime Commissioner to focus on counter terrorism, however note that funding for Prevent has been withdrawn. Members heard that Buckinghamshire is no longer in the top ten communities at risk and Thames Valley Police are continuing to monitor this closely.

Culture and Leisure

- The Culture and Leisure portfolio has a total spend of £11.2m, offset by income of £6.2m.
- Key risks include the continuing impact of Covid on leisure recovery and income to the Council; service pressures due to wider societal impacts of Covid; and loss of archives accreditation if a future proof accommodation solution cannot be achieved.

Leisure

- Members heard that the Leisure Strategy is being produced, and affirm the need for cross portfolio working, notably Planning for this to inform / be informed by the emerging Local Plan. This strategy, like others should have a set target date for production.
- The Chilterns Lifestyle Centre has opened and good usage numbers are reported. Members recognise the centre as a great asset to the community which goes beyond solely being a leisure centre, it acts as a model for future developments elsewhere in the county.
- Members were informed that the Council had worked closely with leisure operators throughout the pandemic and supported them in maximising their reopening. The Council alongside LEAP continue to work with operators on increasing participation. Leisure contracts include a number of requirements around management expertise and operation. Leisure centre usage was at around 75% of pre-covid levels with variances across centres.

Culture and Leisure

Playing Pitches, Country Parks and Farnham Park Trust

- A lack of provision in Aylesbury was highlighted and Members heard that the Council is working closely with Aylesbury Town Council to try and rectify this. The Cabinet Member acknowledged that a number of facilities require updating and that funds within the MTFP for investment in the area are limited. Members note that this, as well as current unused provision will be considered as part of the wider leisure strategy.
- The Farnham Park Playing Fields are also being considered as part of the leisure strategy and Members heard that the current buildings require viability studies. Members suggest that local Members are consulted on the future of the site and added that the creation of a nature trail would enhance the offer and should be explored.
- Members heard that the South Buckinghamshire Golf Course had significantly been affected by the pandemic, however had recovered strongly and saw income double in December compared to the same month pre-covid.
- The Stoke Poges Country Park continues to progress, although will no longer include the competition cycling track as ongoing costs were not viable, even with grants from British Cycling.

Culture and Leisure

Visitor Economy

- Members note that efforts are ongoing to increase tourism in Buckinghamshire, and the investment in the Greenways would hopefully encourage visitors. Members recognise close working with planning is key, particularly around the use of developer contributions to create attractive infrastructure.

Bucks Card

- Members heard that the Bucks Card is progressing and is aiming for a Spring launch. Proposals with service partners and organisations to participate are ongoing. The card will entitle residents to discounts and be used to promote access to certain events. Proposals will be shared with Members and go through the due process.

Capital

- Members heard that proposals for the 2022/23 to 2025/26 Capital Programme had been developed by taking the existing Capital Programme and reviewing and updating the capital funding assumptions in order to identify the headroom for additional capital expenditure.
- £48.5m of headroom was identified for additional capital spend and then criteria were applied to identify priorities for new additions to the programme.
- Members were advised that a Corporate Capital Investment Board considered the development of the programme and make recommendations to Cabinet.
- All top priority bids had been included along with the EV Charging Point Scheme which whilst not meeting the top criteria was seen as an important capital investment priority.
- Members support the approach that any bid against the £100m prudential borrowing facility must have a detailed business case and go through Cabinet for approval.

Capital

School Building Projects

- Over £45m of schemes are proposed to be delivered in 2022/23. Members queried the vast differences between yearly amounts for primary and secondary school places and understand projections and profiling work have been undertaken based on expected housing growth and birth rate differentials. Members also note that the Kingsbrook Secondary School is due to be completed in 22/23.
- Members were encouraged to hear that new schools and extensions were assessed for energy efficiencies & could include solar panels, air sourced heat pumps and electric charge points.

Future Improvements

Having concluded its series of meetings, the Inquiry Group picked up a number of areas to further improve the Budget Scrutiny process next year. These points are noted below.

- Members would like a consistent approach to:
 - Contract information - all packs should contain values
 - Data presentation – e.g. children placed with internal foster carers was reported over a 24-month period, which was in contradiction to how other areas were reported. Ideally data should correspond to financial year.
- Key Performance Indicators should be included in paperwork provided and link in to portfolio packs.
- The pre-briefings for the portfolios of Health and Wellbeing and Education and Children's Services were welcomed and consideration should be given to repeating this and possibly extending this to other portfolio areas in future.
- Ensure there is a diverse committee membership
- Restrict the number of attendees at the meetings to the Cabinet Member, Deputy Cabinet Member and two supporting officers (likely to be the Corporate Director and the relevant Head of Finance)
- Arrange the Health and Wellbeing portfolio and Education and Children's Services portfolio sessions on separate days.
- Arrange portfolios with smaller budgets to take place on the first day.